

SEPTEMBER 16, 2014

**MOTION BY SUPERVISORS MARK RIDLEY-THOMAS and DON KNABE**

**Oppose Ballot Measure to Increase MICRA limits – Proposition 46**

In 1975, the health care system in California faced a crisis caused by escalating litigation and significant increases in malpractice premiums for physicians, which threatened to limit the number of physicians practicing medicine in the state, especially those practicing in high-risk specialties such as obstetrics and cardiology. In that year, the California Legislature enacted the Medical Injury Compensation Reform Act (MICRA), a prudent measure, which placed a cap of \$250,000 on non-economic damages for “pain and suffering” on medical malpractice claims. MICRA did not limit the amount of economic damages which may be awarded.

The MICRA cap has helped reduce health care costs and keep medical malpractice insurance affordable while preserving important protections for patients. In November 2014, California voters will be considering Proposition 46, a measure which proposes to immediately increase the existing MICRA cap on non-economic damages from \$250,000 to

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MOTION

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\$1.1 million and provide for annual increases adjusted for inflation, among other provisions.

If enacted, Proposition 46 could again threaten the health care system in California and it would significantly affect health care providers throughout the state, including Los Angeles County (County), which administers one of the nation's largest public health care systems. The County's health care system employs hundreds of highly skilled physicians who provide vital health care services to the neediest and most vulnerable children, families and adults, many of whom still lack health care insurance. Since judgments and settlements arising from medical malpractice claims are generally incurred as costs to the County's General Fund, any increases in the MICRA cap would inevitably result in reduced funding resources available for patient care. The diversion of County funds to pay for increased judgment settlements and litigation expenses would not improve patient care or produce higher quality medical care for the millions of residents served by the County's health care safety net.

Consistent with long-standing Board of Supervisors-approved policy to oppose measures that would weaken any provisions of MICRA and which would significantly increase the financial burden on the taxpayers in the County.

**WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS** opposes Proposition 46.

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